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Preparatory Committee for the High-level International Intergovernmental Event on Financing for Development
Resumed organizational session
31 May-2 June 2000
Agenda item 2
Preparation for the substantive preparatory process and the high-level international event

Revised draft decision submitted by the Bureau

Preparation for the substantive preparatory process and the high-level international event

The Preparatory Committee,

1. *Takes note with appreciation* of the second report of the Bureau;[1]

2. *Welcomes* the consultations carried out with member States of the World Trade Organization which should lead to an appropriate modality for the participation of that Organization at the intergovernmental level in the financing for development process;

3. *Mandates* the Bureau to continue consultations with the International Monetary Fund in order to conclude an early agreement on an appropriate modality for its participation at the intergovernmental level in the financing for development process;

4. *Requests* the Bureau to continue consultations on the form, venue, timing, duration and format of the final event, as the process evolves, and to submit its recommendations to the resumed first substantive session;

[1] A/AC.257/8.

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5. *Adopts,* based on paragraph 3 of General Assembly resolution 54/196 of 22 December 1999,[2] the text in the annex to this decision as a substantive preliminary agenda for the financing for development process, on the understanding that the preliminary agenda is of an indicative nature and will evolve during the substantive preparatory process ahead of the final event, through, *inter alia*, inputs from Member States, regional intergovernmental consultations and all relevant stakeholders;

6. *Requests* the coordinating secretariat to hold periodic briefings with the members of the Preparatory Committee with a view to informing them of progress made in the preparation of the substantive documentation and to obtaining their views and comments thereon;

7. *Reiterates*, in accordance with paragraph 17 of General Assembly resolution 54/196, the need for the financing for development process to be provided with adequate resources;

8. *Decides*, subject to approval by the General Assembly at its fifty-fifth session, to hold its second session from 12 to 23 February 2001 and its third session from 30 April to 11 May 2001;

9. *Decides* to reconvene its first session at an appropriate time.

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[2] Paragraph 3 of General Assembly resolution 54/196 reads as follows: "*Also decides* that the high-level intergovernmental event in 2001 will address national, international and systemic issues relating to financing for development in a holistic manner in the context of globalization and interdependence, and, by so doing, will also address development through the perspective of finance; within this overall context, the event should also address the mobilization of financial resources for the full implementation of the outcome of major conferences and summits organized by the United Nations during the 1990s and the implementation of the Agenda for Development,[1] in particular with regard to poverty eradication;".

[1] Resolution 51/240, annex.

Annex

Preliminary agenda

Mobilizing domestic financial resources for development

1. Enabling domestic environments: governance issues; sound macroeconomic policies, including fiscal and private savings policies; special needs of Africa, the least developed countries, small island developing States, landlocked and transit developing countries and other developing countries as well as countries with economies in transition with special difficulties in attracting financing for development.

2. Strengthening public finances: development and enforcement of effective and equitable tax systems; enhanced allocation of public expenditures for infrastructure and social development; capacity-building and technical assistance.

3. Strengthening the domestic financial sector: institutional issues; supervision; harmonization of codes and standards; innovative instruments; access to microcredit; capacity-building and technical assistance.

Mobilizing international resources for development: foreign direct investment and other private flows

4. Enhancing private capital flows for financing development: facilitating private flows, especially longer-term flows; expanding foreign direct investment to a much larger number of developing countries, countries with economies in transition and sectors; enhancing the development impact of investments of transnational corporations in developing countries; improving measures in destination and source countries to reduce risks of excessive international financial volatility; capacity-building and technical assistance.

Trade

5. Enhancing trade for financing development: ensuring market access for products of export interest to developing countries; addressing issues related to the decline of public revenues from trade liberalization; strengthening regional cooperation/integration for expansion of global trade; capacity-building and technical assistance, including assistance for trade negotiations and dispute settlement; special needs of Africa, the least developed countries, small island developing States, landlocked and transit developing countries and other developing countries as well as countries with economies in transition with special difficulties in attracting financing for development.

Increasing international financial cooperation for development through, *inter alia*, official development assistance

6. Enhancing official development assistance (ODA): reinvigorating the commitment to fulfil the 0.7-per-cent target, including renewed leadership based on best practices, improved advocacy and sound information policies that address

misperceptions and differentiate ODA for economic growth from global public goods financing; increasing the effectiveness and efficiency of ODA, through, *inter alia*, enhanced ownership and better coordination of initiatives such as the comprehensive development framework, the United Nations Development Assistance Framework, and the poverty reduction strategy papers; special needs of Africa, the least developed countries, small island developing States, landlocked developing countries and other developing countries with special difficulties in attracting financing for development.

7. Exploring innovative sources for financing for development: considering innovative global instruments, including tax cooperation and global public goods financing mechanisms; enhancing the contribution of multilateral development institutions, in particular the World Bank and regional development banks, in financial innovation in support of development; promoting national and international public/private partnerships.

Debt

8. Confronting external debt challenges: addressing debt problems of developing countries, including cases of high indebtedness and moral hazard issues; enhancing and expanding the Heavily Indebted Poor Countries Debt Initiative; avoiding the recurrence of debt crises, through, *inter alia*, preventive measures to avoid unsustainable public and private debt; technical assistance for debt management.

Addressing systemic issues: enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development

9. Improving global governance: broader participation in decision-making and norm-setting; accountability; transparency; regional arrangements; policy coordination for increased and more equitable world economic growth.

10. Strengthening the international financial architecture to support development: enhancing financial stability; improving early warning, prevention and response capabilities vis-à-vis financial crises; through, *inter alia*, the enhancement of social safety nets; liquidity issues and lender of last resort.

11. Strengthening the role of the United Nations in assisting and complementing the work undertaken in the appropriate international monetary, financial and trade institutions in accordance with their respective mandates, with a view to enhancing coherence and consistency in support of development.